C2425-3a

A Publication of Communication Channels, Inc.

MARCH 1984

AMERICAN CITY & COUNTY

administration • engineering • operations

Local Government Financing: The Shirttails or...?

...on Sewage Funding

CIT5076855 9999002040 0000
S SARKER
SR1 ACQUIS/CONGRSNL INFO 705 DIR
4520 EAST-WEST HGWY STE 3
BATHESDA MD 20814

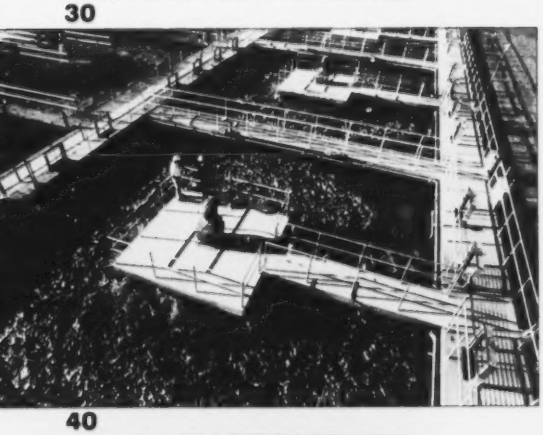
A Publication of Communication Channels, Inc.

AMERICAN CITY & COUNTY

administration · engineering · operations

March 1984 Vol. 99, No. 3

30



40

48

FEATURES

24 Special Report: Budget Cuts Send Message
Reagan's 1985 proposal puts city and county funds at 1971 level.

26 American City & County's Editorial Advisory Board
Seventeen local government leaders to serve on panel in 1984.

30 The Shirttails or the Alternatives
Local leaders need guidance on various methods of private financing.

36 Foundation Programs Benefit Government
More than $60 million committed to help fund public projects.

40 Who Will Foot the Bill For Sewage Treatment?
Government officials and industry leaders differ on funding methods.

42 Municipalities Face Clean Water Deadline
EPA plans to get tough with communities on treatment deadlines.

44 Chandler Privatizes Wastewater Facility
Arizona city is first in nation to opt for completely private approach.

46 Mt. Laurel Improves Efficiency of Plant
New Jersey city uses problem-solving method for wastewater treatment.

48 Contract Assures Vancouver Quality Sewage Treatment
First-ever 10-year contract awarded for sewage treatment operation.

52 Revenue Sharing's Flexibility Important to Counties, Towns
Impact of stagnant funding level could mean less money for local projects.

56 Fast-Track Project Schedule Speeds Correctional Facilities
Three months shaved from 16-story Portland Justice Center construction.

DEPARTMENTS

4 Viewpoint
6 Calendar
8 Washington Dateline
10 Newsmakers
12 Computer Talk
14 Industry News
62 New Products
66 Literature
70 Manufacturers
76 Municipal Cost Indexes

About the Cover

As the federal government reduces its local government financing role, city and county officials are looking to private sector funding alternatives. (Artwork by Thom Baccus)

American City & County is published monthly by Communication Channels, Inc., Tim Gold Blyth, Chairman of the Board, B. J. Kotsher, President, Scott Smith, Secretary, John Moebius, Treasurer. Editorial and advertising offices at 6255 Barfield Road, Atlanta, GA 30328. Telephone 404-256-9800. American City & County is a registered trademark of Communication Channels, Inc. 1984 by Communication Channels, Inc. Application to mail at Second Class Postage paid at Atlanta, GA and at additional mailing offices. Subscription rates: U.S.A., 1 year $37, 2 years, $63; Canada and Mexico, 1 year, $40; Foreign, 1 year, $47; overseas air mail, $78. Single copies, $3.50. The opinions expressed by authors and contributors to American City & County are not necessarily those of the editors or publisher. Articles appearing in American City & County may not be reproduced in whole or in part without permission of the publisher. Microfilm copies of American City & County are available from Xerox University Microfilms, Ann Arbor, MI 48109. Postmaster: Please send form 3579 to Circulation Department, American City & County, 6255 Barfield Road, Atlanta, GA 30328.
ISSN 0149-337X

MUNICIPAL COST INDEXES

Backed by declines in the **ACC Construction Cost Index** and the **Producer Price Index**, the **Municipal Cost Index** dropped 0.2 percent for the month. The construction cost index, which declined for the fourth straight month, fell 0.5 percent, while producer prices dropped 0.2 percent.

The only index to increase was the **Consumer Price Index**, which rose 0.2 percent. Trucks and lp gas led commodity price declines in this month's marketbasket, while gypsum products and mixed fertilizers showed the largest price increases.

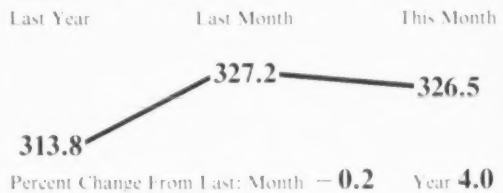
Compiled by Jeff Atkinson

THIS MONTH'S MARKETBASKET

	Current Index	Percent Change From: Last Month	Last Year
Air Conditioners	142.5	−0.3	1.6
Apparel	198.7	0.7	1.7
Asphalt Roofing	384.2	−0.2	−3.7
Books	122.7	0.2	5.2
Chemicals, Industrial	346.3	−0.7	0.3
Coal	539.8	0.6	0
Concrete Products	303.6	0.1	1.8
Construction Machinery	353.7	0.1	1.7
Diesel Fuel	706.7	−0.7	−12.5
Electric Lamps	327.3	0.1	10.3
Electric Power	419.0	−1.2	3.5
Electric Components	187.0	0	4.8
Engines, I.C.	342.6	0.5	1.8
Fans and Blowers	335.8	0	−0.2
Fertilizers, Mixed	258.2	1.9	−2.3
Floor Coverings	187.9	−0.1	3.6
Flow Instruments	100.6	0	N/A
Footwear	251.4	0.1	0.9
Foundry Products	352.8	0.1	1.9
Fuel Oil No. 2	738.9	−1.4	−14.1
Furniture, Commercial	290.3	0.8	4.2
Gasoline	599.7	−2.1	−9.6
Generator Sets	335.8	0.5	6.9
Glass	230.1	0.3	2.1
Glass Containers	351.1	0	−1.9
Gypsum Products	313.9	3.2	23.1
Hardware	291.5	0.5	3.0
Heating Equipment	245.2	0.1	2.7
HVAC Controls	121.9	−0.3	3.0
LP Gas	707.8	−3.6	−6.5
Lubricants	365.2	4.7	4.0
Lumber	346.0	0	N/A
Metal Fabrications	305.0	0.2	−0.1
Millwork	308.2	0.4	10.0
Motor Vehicle Parts	350.9	0	−0.6
Mowers	253.7	0	3.4
Natural Gas	1392.7	0.4	−5.2
Office Machines	154.8	−0.3	1.4
Paint	264.4	0.1	−0.1
Paper	287.9	0.5	2.6
Passenger Cars	222.0	−0.2	1.5
Plumbing Fixtures	293.7	0.3	5.5
Plywood	244.7	−0.7	7.4
Portland Cement	341.2	−2.0	2.0
Pumps	345.4	0.1	−0.8
Residual Fuel	1200.7	0.6	5.4
Sand and Gravel	287.6	0.5	2.3
Sanitary Papers	359.7	0	−1.1
Soaps, Detergents	266.7	0.5	3.8
Sporting Goods	207.6	0.5	0.8
Steel Mill Products	359.1	0.3	3.0
Struc. Clay Prod.	283.4	0.2	7.0
Switchgear	269.4	−0.4	1.9
Tires and Tubes	242.7	0	−4.6
Transformers	222.9	−0.6	1.0
Trucks	317.7	−2.6	0.1
Valves	100.1	0	N/A
Wire and Cable	202.9	0.1	2.9
Wiring Devices	338.8	0.1	3.5

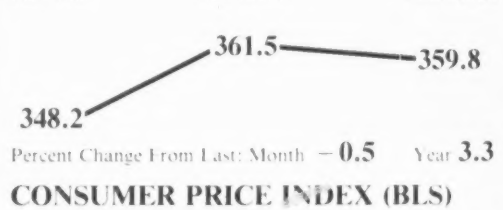
At-A-Glance Changes

ACC MUNICIPAL COST INDEX



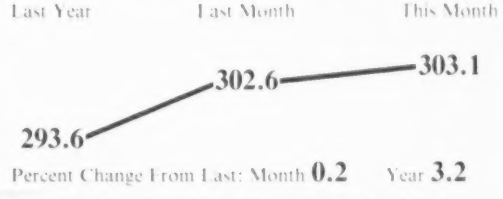
Percent Change From Last: Month −0.2 Year 4.0

ACC CONSTRUCTION COST INDEX



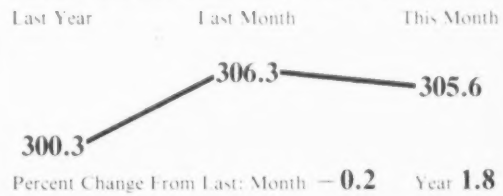
Percent Change From Last: Month −0.5 Year 3.3

CONSUMER PRICE INDEX (BLS)



Percent Change From Last: Month 0.2 Year 3.2

PRODUCER PRICE INDEX (BLS)



Percent Change From Last: Month −0.2 Year 1.8

QUARTERLY MUNICIPAL TRENDS

	Current Level	Percent Change From: Last Qtr.	Last Year
Receipts	478.5B	3.6	9.5
Federal Grants	86.8B	1.2	2.0
Durable Purchases	14.2B	2.2	7.6
Consumables	31.2B	1.3	0.0
Services	325.4B	1.8	7.7
Structures	37.7B	−4.6	−7.6
Salaries, Wages	238.1B	1.8	7.7
Surplus	51.8B	28.2	61.9
Employment	13.085M	0.9	1.2